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February 18, 2004 LB 999

File. I do have Banking, Commerce and Insurance Committee amendments pending, Mr. President. (AM2339, Legislative Journal page 446.)

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Quandahl, as Chairman of the committee, you're recognized to open on LB 999.

SENATOR QUANDAHL: Thank you, Mr. President, members of the body. LB 999 was introduced by the Banking, Commerce and Insurance Committee at the request of the Department of Banking and Finance. LB 999 is the Banking Department cleanup bill for this year. I thought what I would do is perhaps explain what the provisions are of LB 999 were as introduced first and then I'm sure we'll be getting to the committee amendments, and then I can further explain them. But I'll start off by briefly explaining the provisions of LB 999 one by one. And then we'll, like I said, we'll get to the amendment. This is a bill, too, that does contain the provisions of the wild-card statutes as they pertain to banks, building and loans, and credit unions that are chartered by the state of Nebraska. But just to start off, Section 1 would amend Section 8-113 of the Nebraska Banking Act, which governs the term "bank," in quotes, and its derivatives to include necessary and generally accepted exceptions to the state's (sic-statute's) prohibition of using the word "bank." The reason behind this is is that there really isn't an exception to the prohibition of the using of the word "bank" for food banks, banking trade associations, and the like, and so we need to amend that particular section to make those exceptions. Section 2 would amend Section 8-157.01 which relates to automatic teller machines and point of sale terminals and it would, basically, remove a written notice requirement for those ATM machines and authorize subsidiaries of financial institutions to establish ATMs and point of sale terminals in the same manner and the same authority as the parent financial institution. Section 3 is the wild-card statute for state chartered banks. Due to constitutional restriction, this statute must be reenacted annually. What the wild-card statute does is that it would grant to state chartered banks the same privileges and immunities accorded to a national bank doing business in Nebraska. So it puts them all on a level playing field. Section 4 would amend Section 8-208 to the Nebraska